

**rupri** Center for **RURAL**  
for **ENTREPRENEURSHIP**

Helping Rural America Realize  
Its Entrepreneurial Potential

# **Wealth in the Rochester Region**

## *A Transfer of Wealth Opportunity*



**Technical Report**  
to  
**Rochester Area Community Foundation**  
from the  
**RUPRI Center for Rural Entrepreneurship\***

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\*Research completed in December 2010

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The authors of this study include Don Macke (Project Leader), Ahmet Binerer (Research Analyst) and Dr. Deborah Markley (Report Editor). The Center has completed over 40 major transfer of wealth studies since the early 1990s and copies for most of these reports can be found at our website ([link](#)).

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## Table of Contents

<b><u>Section</u></b>	<b><u>Page</u></b>
<b>Executive Summary</b>	1
Table 1. Summary Findings for Rochester Region	2
<b>Methodology</b>	3
Table 2. Relationships between Key Demographic Indicators and U.S. Mean Net Worth (2007 Values)	5
Table 3. Relationships between Drivers of Wealth and Household Current Net Worth	6
<b>Detailed County Analysis</b>	8
Table 4. Summary County Results Current Net Worth & 50-Year TOW Scenario	8
Table 5. Wealth Indicator Descriptions	9
Table 6. Key Wealth Indicators for Genesee County	10
Table 7. Key Wealth Indicators for Livingston County	11
Table 8. Key Wealth Indicators for Monroe County	12
Table 9. Key Wealth Indicators for Ontario County	13
Table 10. Key Wealth Indicators for Orleans County	14
Table 11. Key Wealth Indicators for Seneca County	15
Table 12. Key Wealth Indicators for Wayne County	16
Table 13. Key Wealth Indicators for Wyoming County	17
Table 14. Key Wealth Indicators for Yates County	18
<b>Additional Resources</b>	19
Table 15. 2010 Net Worth and 10 Year Transfer of Wealth by County	23
Table 16. 2010 Net Worth and 20 Year Transfer of Wealth by County	24
Figure 1. 2010 Estimated Current Net Worth (CNW)	25
Figure 2. 2010 Estimated CNW per Household	26
Figure 3. 20 Year Transfer of Wealth (TOW) Opportunity	27
Figure 4. 20 Year TOW Opportunity per Household	28
Figure 5. 5% Capture of the 20 Year TOW Opportunity	29
Figure 6. 5% Payout from Assets Captured in the 20 Year TOW Opportunity	30
Figure 7. 5% Capture per Household of the 20 Year TOW Opportunity	31
Figure 8. 5% Payout per Household from Assets Captured in the 20 Year TOW Opportunity	32
<b>Appendix</b>	
Table 17. 50 Year TOW Opportunity by County	33

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## Executive Summary

The Great Recession of 2008-2009 has taken a heavy toll on all Americans. These are difficult times with too many unemployed people, foreclosed homes, depleted resources and harmful pessimism. But in crisis comes opportunity. Rochester Area Community Foundation has responded to this crisis by focusing on the potential of community philanthropy to provide resources that can help transform local and regional communities and their economies.

The Rochester Area Community Foundation (Foundation) commissioned the RUPRI Center for Rural Entrepreneurship to conduct a transfer of wealth study for the Rochester Region and the nine counties that comprise this region of New York. The RUPRI Center's TOW team analyzed historical trends and current data to develop likely scenarios of how many assets currently exist in households in the nine-county Rochester region. Using conservative estimates of economic growth, the team estimated the value of assets over the next 10, 20 and 50 years – **the transfer of wealth opportunity**. Taking an industry-wide standard of 5%, the RUPRI Center estimated how many of the transferable assets could conceivably be given at death to support investments in the community – **the transfer of wealth capture target**. This transfer of wealth analysis is specific to the residents of this Region and does not include corporate, non-profit or governmental assets.

### Summary of Overall Findings

Based on this analysis, the Community Foundation's counties are likely to face a significant transfer of wealth (TOW) opportunity beginning as early as 2020.

- Regional projected 2010 Net Worth is estimated to be \$80.07 billion.
- Over the next 10 years, an estimated \$14 billion will be available to transfer between generations within the Region – **the Transfer of Wealth (TOW) opportunity**. Over the next 20 years, the TOW opportunity is estimated to be almost \$33 billion.
- If just 5% of the 10 year TOW opportunity were to be captured by local non-profit organizations, such as community foundations, for the betterment of communities in this Region, those organizations would realize almost \$695 million – **the TOW capture target**. This same 5% capture over 20 years is an estimated \$1.7 billion.
- Using a conservative 5% annual rate of return on the endowments this TOW capture might build, approximately \$35 million would be generated annually (once the 10-year 5% capture goal is fully achieved) to support

community economic development and other charitable investments. Over 20 years, approximately \$84 million could be generated annually.

Table 1 summarizes the total and per household current net worth, 10-year and 20-year Transfer of Wealth scenarios generated by the Center’s scenarios.

**Table 1 - Summary Findings for Rochester Region**

<b>Finding</b>	<b>Total Estimated Value</b>	<b>Per Household Estimated Value</b>
<b>2010 Current Net Worth</b>	<b>\$80.07 Billion</b>	<b>\$175,000</b>
<b>2010 – 2020 Transfer of Wealth Opportunity</b>	<b>\$13.9 Billion</b>	<b>\$30,000</b>
5% Capture Target	\$695 Million	\$1,500
5% Payout Potential	\$35 Million	\$80
<b>2010 – 2030 Transfer of Wealth Opportunity</b>	<b>\$33.5 Billion</b>	<b>\$73,000</b>
5% Capture Target	\$1.7 Billion	\$3,700
5% Payout Potential	\$83.6 Million	\$180
<b>2010 – 2060 Transfer of Wealth Opportunity</b>	<b>\$134.79 Billion</b>	<b>\$295,000</b>
5% Capture Target	\$6.7 Billion	\$15,000
5% Payout Potential	\$337 Million	\$700

**Scenarios**

It is not reasonable to predict TOW opportunities out over 50 years with degrees of accuracy. So our analysis does not represent predictions.

We live in a dynamic world. Consequently, our TOW projections are scenarios based on reasonable assumptions about the future of the nine-county greater Rochester region and its communities. These scenarios are a likely future and provide insight on the remarkable TOW opportunity. Our scenarios are conservative in nature and represent a baseline opportunity for community giveback.

## Methodology

This section outlines the methodology used to create TOW scenarios for specific regions and states. This work was motivated by the early landmark transfer of wealth study, *Millionaires and the Millennium*, completed by researchers at Boston College in 1999.<sup>1</sup> Since our first TOW study in Nebraska, this methodology has been developed and refined to provide scenarios that can be the starting point of fruitful discussions about wealth transfer and its potential as a source of funding for community development.

Before a more detailed discussion about methodology, it is important to highlight several points about this model:

- The TOW model produces **scenarios** based on projections of likely futures, not predictions or forecasts of actual future outcomes. Scenarios are driven by key assumptions about the future, based on historical trends. In all cases, we work to create conservative scenarios that represent realistic estimates of TOW opportunities. The scenario numbers generated are not predictive – indicating what **WILL** result 10 and 20 years from now – but rather demonstrate potential or a “likely future” given past and current trends. They are not designed to dictate policy but rather to provoke strategic discussions driven by a simple question – what if the community were able to capture just 5% of the wealth that will transfer between generations over the next 10, 20, or 50 years to support investments in community betterment?
- The first consideration in any TOW study is the establishment of a base year for analysis. For this study, 2010 was chosen as the base year. We consider 50 years of historical indicators (extending back to the post-World War II period and up through 2007, the most recent year for which an adequate number of adjusted indicators necessary to establish current net worth are available) and project estimates 10 years (to 2020), 20 years (to 2030) and 50 years (to 2060) into the future.
- The analysis is conducted in “inflation adjusted dollars.” In other words, these are real dollars – a dollar in 2030 is worth the same as a dollar in 2005.

Specific steps in the TOW scenario methodology are described in more detail below.

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<sup>1</sup> Paul G. Schervish and John J. Havens, *Millionaires and the Millennium: New Estimates of the Forthcoming Wealth Transfer and the Prospects for a Golden Age of Philanthropy*, Social Welfare Research Institute, Boston College, October 1999.

**Step 1 – Estimating Current Net Worth.** The TOW analysis uses a data series produced by the U.S. Federal Reserve, [Survey of Consumer Finance Report](#), to match demographic characteristics for the study region with key national indicators. Every three years since the 1980s, the U.S. Federal Reserve has commissioned an extensive survey of household finances in the United States. The current report covers 2007. This report provides detailed U.S. asset and liability holdings by key demographic characteristics (e.g., age of household, income of household, race, employment type, region, and housing status). Table 2 shows the relationship between key demographic variables considered in the TOW model and mean household net worth. These data relationships are used to estimate net worth at the state and county levels in 2007.

Since the base year for the TOW analysis is 2010, the next step is to bring the estimates of state and county net worth to 2010 levels. To inflate the estimates to current net worth in 2010, we use the U.S. Federal Reserve's [Flow of Funds Accounts](#) of the United States. The *Flow of Funds Report* is the definitive national accounting of household current net worth in the United States on a year-to-year basis. Since 1945, there has been an overall positive trend in wealth creation, measured by current net worth, in the U.S. A more contemporary view of wealth creation (2000 – 2009) shows cyclical variation along this positive trend line associated with wealth erosion and subsequent recovery during the recessions of 2001 and 2007 – 2009.

**Customization.** Final current net worth estimates for the base year are customized for each study area based on the relationships between a number of key indicators at the state and county levels as compared to the national level. Primary indicators include: (a) dividend, interest and rent income, (b) income characteristics, (c) age characteristics, (d) concentrations of creative class employment, (e) concentrations of business ownership, and (f) market valuation of real property by class.

Two of these indicators warrant further discussion. There is growing research and analysis that supports the view that significant innovation and wealth result from certain types of economic activities often referred to as the “knowledge economy” or the “creative class”. Richard Florida and others argue that knowledge or creative class sectors and businesses generate significantly higher earnings and wealth creation than other economic activities. In this TOW analysis, we consider the current concentration of creative class workers and the likely growth of this economic segment over the study period, employing methodology developed by the Economic Research Service within the U.S. Department of Agriculture.<sup>2</sup>

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<sup>2</sup> Additional details on the creative class and other indicators, and the ERS Methodology, can be found in the Electronic Library referenced under Additional Resources in this report.

**Table 2 - Relationships between Key Demographic Indicators and U.S. Mean Net Worth (NW) (2007 values)**

<b>Demographic Indicator</b>	<b>Relationship with U.S. Mean NW</b>
<b>Household Income</b>	Strong positive relationship with income <ul style="list-style-type: none"> <li>▪ Top 10% income group – mean NW = \$3.1 million</li> <li>▪ Bottom 20% income group – mean NW = \$100,000</li> </ul>
<b>Household Age Cohort</b>	Positive relationship with age, up to peak <ul style="list-style-type: none"> <li>▪ Increasing mean NW up to \$954,000 peak for 65-74 cohort</li> <li>▪ Declining mean NW beyond age 75</li> </ul>
<b>Family Structure</b>	Positive relationship with marital status; inverse relationship with children <ul style="list-style-type: none"> <li>▪ Couple with no children – mean NW = \$756,000</li> <li>▪ Single with children – mean NW = \$219,000</li> </ul>
<b>Head of Household Education Level</b>	Positive relationship with education level <ul style="list-style-type: none"> <li>▪ College degree – mean NW = \$1 million</li> <li>▪ No high school diploma – mean NW = \$135,000</li> </ul>
<b>Race or Ethnicity</b>	Inverse relationship with non-white status <ul style="list-style-type: none"> <li>▪ White non-Hispanic – mean NW = \$651,000</li> <li>▪ Non-white or Hispanic – mean NW = \$215,000</li> </ul>
<b>Head of Household Work Status / Entrepreneurship</b>	Positive relationship with self-employment <ul style="list-style-type: none"> <li>▪ Self-employed – mean NW = \$1.84 million</li> <li>▪ Employed – mean NW = \$330,000</li> </ul>
<b>Head of Household Occupation</b>	Positive relationship with professional occupations <ul style="list-style-type: none"> <li>▪ Managerial or professional – mean NW = \$1 million</li> <li>▪ Other – mean NW = \$181,000</li> </ul>
<b>Housing Status</b>	Positive relationship with home ownership <ul style="list-style-type: none"> <li>▪ Owner – mean NW = \$732,000</li> <li>▪ Renter – mean NW = \$67,000</li> </ul>

Entrepreneurship or business ownership is part of America’s tradition. From our earliest history, a promising pathway to economic success and security was through self-employment or business ownership. For many immigrants unable to obtain good jobs, business ownership is the primary route to economic success and wealth formation. Business ownership is full of challenges and risks where most new businesses fail. Despite this reality, on average, self-employed heads of households have 5.6 times more CNW as compared to those who work for someone else.

A number of additional indicators are used to customize CNW estimates, including the following. Many of these factors are also key considerations in building assumptions for TOW projections.

- Adjacency to high amenity areas, second home development and retirees
- Pockets of the ultra-rich (locals or newcomers whose wealth puts them in the top 1% in the U.S.)
- Effects of public lands – federal, state and local
- Pockets of high corporate stock ownership

- Specific new economic development projects
- Effects of the gaming industry, if any
- Behavioral patterns of savings and investing
- Effects of new immigrants and repatriation of earnings
- Areas of future population boom, bust, or plateau
- Public housing impacts
- Institutionalized populations (e.g., prisons, care homes, military)

**Step 2 – Building Demographic/Population Models.** For each study region, we build a population model for the scenario period and an economic forecasting model. We employ existing and available population forecasts and, if not available, build population forecasts through the scenario period. We rely on a set of historic relationships between drivers of wealth and household current net worth. There are strong and historic relationships between these drivers, defined as changes in population, personal income, and gross domestic product, and change in household current net worth (summarized in Table 3). For example, based on historic data, every 1% increase in population is associated with a 2.6% increase in personal income while a 1% increase in personal income is associated with a 1% increase in current net worth.

**Table 3 - Relationships between Drivers of Wealth and Household Current Net Worth**

	Population	GDP	Personal Income	CNW
Population	1:1	1:2.45	1:2.60	1:2.62
GDP	2:45.1	1:1	1:1.06	1:1.07
Personal Income	2.60:1	1.06:1	1:1	1:1
CNW	2.62:1	1.07:1	1:1	1:1

We employ these relationships along with demographic and economic forecasts to project household CNW over time. Again, we generate relatively conservative projections benchmarked to the low-range CNW and low TOW projection for the U.S.

**Step 3 – Discounting Assets.** Not all assets are equal with respect to TOW opportunity. Many assets will not be available for giveback either to heirs, charities or communities. We employ a discounting methodology to reduce the value of our CNW projections and generate a TOW estimate that more closely represents the likely TOW opportunity for each area. This discounting can reduce gross CNW by 50% to 75% depending upon the demographics of households in a particular place. Again, the discounting allows us to estimate TOW that is truly available for potential giveback.

For example, CNW might be discounted for the following:

- Assets that depreciate quickly such as automobiles or household goods
- Assets where future value is hard to estimate such as collections, art and jewelry
- Future income associated with defined benefits with no cash value
- Closely-held assets including farms, ranches and family businesses
- Assets of lower-income households that are likely to be consumed during retirement, leaving limited estates available for giveback

**Step 4 – Timing of TOW Release.** The next step is to estimate the timing of TOW release. Projected deaths are the primary indicator of TOW release since most estate transfers occur upon death. Demographic projections estimate the number of deaths throughout the analysis time period and these percentages are used to estimate TOW release.

**Step 5 – Review and Verification.** To ensure that we have captured all material considerations, we undertake a careful review and verification process so that our TOW scenarios reflect each state or region’s unique circumstances and realities. We work with a Technical Advisory Committee in each study region throughout the TOW analysis process. The Technical Advisory Committee helps identify unique factors that would impact estimates of either CNW or TOW.

## Detailed County Analysis

In this section of our Technical Report we provide more detailed analysis for each of the nine counties included in the Rochester study region. Our analysis includes the following New York Counties:

Genesee	Livingston	Monroe	Ontario
Orleans	Seneca	Wayne	Wyoming
Yates			

Table 4 provides summary findings for household related current net worth and the 50-year transfer of wealth scenarios for the Rochester Region and its nine counties.

**Table 4 – Summary County Results**  
**Current Net Worth & 50-Year TOW Scenario**  
*Absolute Values in Real Dollars & Comparative Per Household Values*

Rochester Area Community Foundation Counties	Total Current Net Worth	Per Household Current Net Worth	50-Year Estimated Total TOW Opportunity	50 Year Per Household TOW Opportunity
	<i>Billions \$</i>	<i>\$1000s</i>	<i>Billions \$</i>	<i>\$1000s</i>
<b>Rochester Region</b>	<b>\$80.07</b>	<b>\$175</b>	<b>\$134.79</b>	<b>\$295</b>
Genesee	\$2.88	\$132	\$5.03	\$230
Livingston	\$2.75	\$123	\$4.45	\$200
Monroe	\$56.98	\$199	\$93.75	\$328
Ontario	\$7.83	\$194	\$14.41	\$357
Orleans	\$1.13	\$75	\$2.13	\$142
Seneca	\$1.70	\$132	\$2.84	\$221
Wayne	\$4.02	\$118	\$6.96	\$204
Wyoming	\$1.26	\$85	\$2.03	\$136
Yates	\$1.51	\$163	\$3.20	\$345

For each county within the Rochester Region we have prepared a one page summary of key indicators and analysis. This information can be used to better understand the wealth profile of each county and its potential for transfer of wealth community giveback. Table 5 on the next page provides descriptions of the indicators presented in Tables 6 through 14. We welcome questions regarding our research and analysis. By exploring this information it is possible to gain deeper insights into developing community giveback.

**Table 5 – Wealth Indicator Descriptions**

<b>Macro Trends</b>	
Population Employment Income	These indicators provide the annualized rates of change for population, employment and personal income from 1970 through 2006 providing a historical reference point for macro economic performance.
Sectors	These indicators provide the relative share of employment by major economic sector compared to total employment using the 2000 U.S. Census data. Economic structure has a direct correlation to economic performance, income generation and household wealth formation.
<b>Key Characteristics</b>	
Population	Population in 2007
Density	Persons per square mile in 2007 measures degree of urbanization.
Median Age	Median age of residents based on the 2000 Census. Communities with older residents transfer wealth sooner when compared to younger communities.
College Plus	Percentage of residents with college or greater education.
Less HS	Percentage of residents with less than high school educations.
Commuting	A classification as to whether the county is primarily a "bedroom" or "employment" hub community.
Proprietors	Percent of employment that are proprietors (small businesses).
Creative Class	Percent of workers engaged in the Federal definition of creative class economic activities and industries.
Hispanics	Percent of population that is Hispanic in 2007 provides an indicator of possible new resident immigration.
Group Quarters	Percent of population in assorted group quarters from care home, student dorms, prisons and the like.
<b>Current Net Worth Indicators</b>	
Household (Hld.) Income	Average household income in 2006.
DIR Income	Percentage share of personal income derived from "dividends, interest and rent" income. An indicator of assets like stocks, rental property
Prop. Income	Share of personal income generated from proprietor businesses in 2007.
Per Capita Income	Per capita income measured in 2006.
Ave. Earnings	Average earnings per job measured in 2006.
Property	Per capita real estate property value in 2009
Ag. Property	Per capita agricultural property value in 2007
\$150k Households	Percentage share of households in 2000 with \$150,000 or higher incomes.
Rich/Poor Index	Percentage share of households with less than \$30,000 incomes compared to the number of households with \$100,000 or higher incomes in 2000.
Housing Afford.	Housing affordability in 2000. The higher the value the greater the overall affordability.
Vacation Homes	Percentage share of housing stock classified by the Census as "vacation" homes in 2000.
Change VHS	Percentage change in vacation homes between 1990 and 2000.
<b>Transfer of Wealth Characteristics</b>	
Pop. Change	The projected annualized population change between 2010 and 2060.
Wealth Change	The projected annualized change in household current net worth between 2010 and 2060.
TOW Transfer	The distribution share of transfer of wealth by decade over the study period.
2010 CNW	Estimated household current net worth for 2010.
10-Year TOW	Estimated transfer of wealth for the 2010 to 2020 decade.
50-Year Tow	Estimated transfer of wealth for the 2010 to 2060 period.
*	This is a New York State versus U.S. value.

Some of the indicators may appear dated. However, they are the most current available and when properly benchmarked with trends can provide critical insight for scenario analysis.

**Table 6 – Key Wealth Indicators for Genesee County**

<b>Genesee County, New York</b>					
<b>Macro Trends</b>			<b>Key Characteristics</b>		
<i>The following provides the annualized rates of change comparing the County's performance with the median U.S. benchmark for 1970-2006.</i>			<i>The following key characteristics qualitatively provide insight on the economy and society of this county compared to the U.S. median.</i>		
<b>Indicator</b>	<b>Genesee</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Genesee</b>	<b>U.S.</b>
Population	0.0%	0.6%	Population	58,159	
Employment	0.7%	1.4%	Density	118	85
Income	0.9%	2.2%	Median Age	37.4 Years	37.3 Years
			College Plus	16.3%	14.5%
			Less HS	15.6%	21.0%
<b>Sectors</b>			Commuting	Bedroom	
Manufacturing	20%	14%	Proprietors	21.7%	20.0%
Education	10%	9%	Creative Class	3.8%	12.3%
Health Care	12%	9%	Hispanics	2.11%	15.1%
Knowledge	5%	9%	Group Quarters	2.38%	2.8%
Government	19%	15%			
<b>Current Net Worth Indicators</b>			<b>Transfer of Wealth Indicators</b>		
<b>Indicator</b>	<b>Genesee</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Genesee</b>	<b>New York</b>
Hld. Income	\$81k	\$110k	Pop. Change	-0.52%	0.16%
DIR Income	14.9%	17.5%	Wealth Change	3.60%	5.82%
Prop. Income	8.4%	9.0%	TOW Transfer		
Per Capita In.	\$29,067	\$27,413	2010-2020	10.5%	9.7%
Ave. Earnings	\$33,561	\$30,604	2020-2030	14.6%	13.8%
Property	\$116k	\$300k*	2030-2040	19.3%	19.0%
Ag. Property	\$583k	\$791k	2040-2050	24.2%	24.6%
\$150k Hlds.	1.6%	4.6%	2050-2060	31.4%	32.8%
Rich/Poor Index	5.9%	8.7%			
Housing Afford.	203	186	2010 CNW	\$2.88B	
Vacation Home	0.8%	3.4%	10-Year TOW	\$0.53B	
Change VHs	-6.2%	16.1%	50-Year TOW	\$5.03B	

Genesee County has historically under-performed demographically and economically when compared to the United States when we consider population, employment and personal income indicators. This community has a higher dependence upon manufacturing – a stressed economic sector. Genesee County is more urban than the U.S., has comparable age demographics (but is now aging more rapidly), better educated and has a smaller shared of its workforce engaged in creative class industries – a primary source of new wealth creation. When compared to New York, Genesee County has less relative household wealth today, but significant TOW opportunity nonetheless. CNW is \$2.88 billion and the 10-year TOW opportunity is \$530 million. If just 5% of the 10-year TOW could be captured into community giveback, \$26 million in community endowments could be created capable of generating \$1.3 million in grant making annually (assuming a 5% annual payout rate).

**Table 7 – Key Wealth Indicators for Livingston County**

<b>Livingston County, New York</b>					
<b>Macro Trends</b>			<b>Key Characteristics</b>		
<i>The following provides the annualized rates of change comparing the County's performance with the median U.S. benchmark for 1970-2006.</i>			<i>The following key characteristics qualitatively provide insight on the economy and society of this county compared to the U.S. median.</i>		
<b>Indicator</b>	<b>Livingston</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Livingston</b>	<b>U.S.</b>
Population	0.4%	0.6%	Population	63,123	
Employment	1.3%	1.4%	Density	100	85
Income	1.3%	2.2%	Median Age	35.3 Years	37.3 Years
			College Plus	19.2%	14.5%
<b>Sectors</b>			Less HS	17.7%	21.0%
Manufacturing	16%	14%	Commuting	Bedroom	
Education	15%	9%	Proprietors	29.4%	20.0%
Retail Trade	12%	9%	Creative Class	1.7%	12.3%
Health Care	11%	9%	Hispanics	2.61%	15.1%
Government	23%	15%	Group Quarters	10.49%	2.8%
<b>Current Net Worth Indicators</b>			<b>Transfer of Wealth Indicators</b>		
<b>Indicator</b>	<b>Livingston</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Livingston</b>	<b>New York</b>
Hld. Income	\$86k	\$110k	Pop. Change	-0.20%	0.16%
DIR Income	15.2%	17.5%	Wealth Change	4.35%	5.82%
Prop. Income	8.3%	9.0%	TOW Transfer		
Per Capita In.	\$27,650	\$27,413	2010-2020	10.0%	9.7%
Ave. Earnings	\$30,584	\$30,604	2020-2030	14.7%	13.8%
Property	\$155k	\$300k*	2030-2040	19.6%	19.0%
Ag. Property	\$565k	\$791k	2040-2050	24.3%	24.6%
\$150k Hlds.	1.7%	4.6%	2050-2060	31.4%	32.8%
Rich/Poor Index	4.6%	8.7%			
Housing Afford.	201	186	2010 CNW	\$2.75B	
Vacation Home	3.1%	3.4%	10-Year TOW	\$0.45B	
Change VHs	-28.6%	16.1%	50-Year TOW	\$4.45B	

Livingston County has comparable economic performance when compared to the United States with slightly slower population and employment growth. Growth in personal income is moderately lower. This community has a moderately higher share of its workforce engaged in education, a comparable dependence on manufacturing, a relatively higher share of workers in retail trade and government. This county has higher than average commuting by residents to work outside of the county. The community is more urbanized when compared to the U.S., has higher relative education rates, significantly stronger share of workers who are business proprietors, significantly lower share of workers in creative sectors and a relatively low Hispanic population. Over 10% of all residents live in some form of group quarters. Overall household wealth is lower when compared to New York, but significant wealth and giveback potential exists. CNW in 2010 is \$2.75 billion with a 10-year TOW opportunity of \$450 million and a 50-year TOW opportunity of \$4.45 billion. Considering only the next decade, if just 5% of the 10-year TOW were captured through giveback, \$22.3 million in community endowments could be realized with the potential to generate \$1.11 million in annual giving.

**Table 8 – Key Wealth Indicators for Monroe County**

<b>Monroe County, New York</b>					
<b>Macro Trends</b>			<b>Key Characteristics</b>		
<i>The following provides the annualized rates of change comparing the County's performance with the median U.S. benchmark for 1970-2006.</i>			<i>The following key characteristics qualitatively provide insight on the economy and society of this county compared to the U.S. median.</i>		
<b>Indicator</b>	<b>Monroe</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Monroe</b>	<b>U.S.</b>
Population	0.1%	0.6%	Population	730,629	
Employment	0.9%	1.4%	Density	1,108	85
Income	1.3%	2.2%	Median Age	36.1 Years	37.3 Years
			College Plus	31.1%	14.5%
<b>Sectors</b>			Less HS	15.1%	21.0%
Manufacturing	21%	14%	Commuting	Emp. Hub	
Education	12%	9%	Proprietors	16.3%	20.0%
Health Care	12%	9%	Creative Class	15.6%	12.3%
Knowledge	10%	9%	Hispanics	5.84%	15.1%
Government	10%	15%	Group Quarters	3.60%	2.8%
<b>Current Net Worth Indicators</b>			<b>Transfer of Wealth Indicators</b>		
<b>Indicator</b>	<b>Monroe</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Monroe</b>	<b>New York</b>
Hld. Income	\$104k	\$110k	Pop. Change	-0.25%	0.16%
DIR Income	19.7%	17.5%	Wealth Change	4.15%	5.82%
Prop. Income	8.5%	9.0%	<u>TOW Transfer</u>		
Per Capita In.	\$38,496	\$27,413	2010-2020	10.6%	9.7%
Ave. Earnings	\$47,789	\$30,604	2020-2030	14.6%	13.8%
Property	\$138k	\$300k*	2030-2040	19.4%	19.0%
Ag. Property	\$587k	\$791k	2040-2050	24.2%	24.6%
\$150k Hlds.	4.2%	4.6%	2050-2060	31.1%	32.8%
Rich/Poor Index	2.5%	8.7%			
Housing Afford.	200	186	2010 CNW	\$56.98B	
Vacation Home	0.4%	3.4%	10-Year TOW	\$9.90B	
Change VHs	27.0%	16.1%	50-Year TOW	\$93.75B	

Monroe County is home to the City of Rochester and the economic hub of this region. Historical economic performance is lagging the U.S., but Monroe County has higher per capita income and average earnings per job when compared to the U.S. There is heavy dependence on manufacturing which is stressed, but there is also above average economic dependence upon “creative class workers” and “information or knowledge” industries. The potential for innovation and wealth creation associated with innovation is relatively high. Income levels and high income households tend to be comparable or higher with respect to the U.S. averages. Monroe County has significant TOW opportunity. CNW in 2010 is estimated at around \$57 billion. The 10-year TOW estimate is \$9.9 billion and the 50-year-TOW estimate is \$93.75 billion. Considering just the 10-year TOW opportunity, if just 5% were captured through community giveback \$495 million in endowments could be realized with the potential to generate nearly \$25 million annually in grant making (assuming a 5% annual payout rate).

**Table 9 – Key Wealth Indicators for Ontario County**

<b>Ontario County, New York</b>					
<b>Macro Trends</b>			<b>Key Characteristics</b>		
<i>The following provides the annualized rates of change comparing the County's performance with the median U.S. benchmark for 1970-2006.</i>			<i>The following key characteristics qualitatively provide insight on the economy and society of this county compared to the U.S. median.</i>		
<b>Indicator</b>	<b>Ontario</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Ontario</b>	<b>U.S.</b>
Population	0.7%	0.6%	Population	103,834	
Employment	2.5%	1.4%	Density	161	85
Income	2.1%	2.2%	Median Age	37.9 Years	37.3 Years
			College Plus	24.7%	14.5%
<b>Sectors</b>			Less HS	12.6%	21.0%
Manufacturing	19%	14%	Commuting	Bedroom	
Education	12%	9%	Proprietors	21.9%	20.0%
Health Care	14%	9%	Creative Class	5.3%	12.3%
Knowledge	7%	9%	Hispanics	2.88%	15.1%
Government	13%	15%	Group Quarters	3.08%	2.8%
<b>Current Net Worth Indicators</b>			<b>Transfer of Wealth Indicators</b>		
<b>Indicator</b>	<b>Ontario</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Ontario</b>	<b>New York</b>
Hld. Income	\$102k	\$110k	Pop. Change	0.19%	0.16%
DIR Income	19%	17.5%	Wealth Change	6.03%	5.82%
Prop. Income	6.7%	9.0%	<u>TOW Transfer</u>		
Per Capita In.	\$34,424	\$27,413	2010-2020	9.2%	9.7%
Ave. Earnings	\$36,200	\$30,604	2020-2030	13.6%	13.8%
Property	\$206k	\$300k*	2030-2040	19.1%	19.0%
Ag. Property	\$510k	\$791k	2040-2050	24.8%	24.6%
\$150k Hlds.	3.3%	4.6%	2050-2060	33.3%	32.8%
Rich/Poor Index	3.0%	8.7%			
Housing Afford.	198	186	2010 CNW	\$7.83B	
Vacation Home	5.6%	3.4%	10-Year TOW	\$1.32B	
Change VHs	-3.9%	16.1%	50-Year TOW	\$14.41B	

Ontario County has a close relationship with Rochester and has experienced significant suburban development over time. Historical population and employment growth rates are higher when compared to the U.S. with personal income growth comparable. This community has a moderately higher dependence upon manufacturing, education and health care. Overall education levels are significantly higher. Ontario has significant commuting reflecting its relationship with Rochester. The share of workforce engaged in proprietor businesses is comparable to the U.S. and creative class share is less than one-half the U.S. averages. Share of population that is Hispanic is low and group quarters populations are comparable. Share of income derived from DIR is higher, property values are relatively high and the number of higher income households is just below the U.S. averages. CNW in 2010 is \$7.83 billion. The 10-year TOW estimate is \$1.32 billion and 50-year TOW estimate is \$14.41 billion. If just 5% of the 10-year TOW opportunity could be captured through community giveback, \$66 million in community endowments could be developed with an annual payout of \$3.3 million (5% payout) rate.

**Table 10 – Key Wealth Indicators for Orleans County**

<b>Orleans County, New York</b>					
<b>Macro Trends</b>			<b>Key Characteristics</b>		
<i>The following provides the annualized rates of change comparing the County's performance with the median U.S. benchmark for 1970-2006.</i>			<i>The following key characteristics qualitatively provide insight on the economy and society of this county compared to the U.S. median.</i>		
<b>Indicator</b>	<b>Orleans</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Orleans</b>	<b>U.S.</b>
Population	0.4%	0.6%	Population	42,370	
Employment	1.1%	1.4%	Density	108	85
Income	1.0%	2.2%	Median Age	36.2 Years	37.3 Years
			College Plus	13.0%	14.5%
<b>Sectors</b>			Less HS	23.6%	21.0%
Manufacturing	23%	14%	Commuting	Bedroom	
Education	9%	9%	Proprietors	13.5%	20.0%
Health Care	13%	9%	Creative Class	3.7%	12.3%
Knowledge	4%	9%	Hispanics	4.29%	15.1%
Government	28%	15%	Group Quarters	7.89%	2.8%
<b>Current Net Worth Indicators</b>			<b>Transfer of Wealth Indicators</b>		
<b>Indicator</b>	<b>Orleans</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Orleans</b>	<b>New York</b>
Hld. Income	\$74k	\$110k	Pop. Change	-0.51%	0.16%
DIR Income	14.3%	17.5%	Wealth Change	4.09%	5.82%
Prop. Income	4.4%	9.0%	<u>TOW Transfer</u>		
Per Capita In.	\$25,131	\$27,413	2010-2020	10.1%	9.7%
Ave. Earnings	\$36,085	\$30,604	2020-2030	14.4%	13.8%
Property	\$112k	\$300k*	2030-2040	19.2%	19.0%
Ag. Property	\$433k	\$791k	2040-2050	24.4%	24.6%
\$150k Hlds.	1.3%	4.6%	2050-2060	31.9%	32.8%
Rich/Poor Index	7.2%	8.7%			
Housing Afford.	209	186	2010 CNW	\$1.13B	
Vacation Home	5.8%	3.4%	10-Year TOW	\$0.21B	
Change VHs	-16.7%	16.1%	50-Year TOW	\$2.13B	

Orleans County has somewhat comparable growth rates to the U.S. for population and employment, but less than half the U.S. historical growth rate for personal income. It has significant dependent upon manufacturing and to a lesser extent health care. Orleans is somewhat younger when compared to the U.S. and has mixed educational attainment levels. This community has a higher than average dependence upon commuting outside the county for employment. It has lower relative shares of business proprietors, creative class workers and Hispanics. Just less than 8% of the population is in group quarters, roughly 2.5 times the U.S. average. Income and wealth levels are softer as reflected in all the CNW indicators. Nevertheless, as this county ages the potential for TOW is substantial. CNW in 2010 is \$1.13 billion. The 10-year TOW estimate is \$215 million and the 50-year TOW estimate is \$2.13 billion, higher than current CNW levels. If just 5% of the 10-year TOW opportunity could be captured into community endowments, \$10.75 million could be realized with the potential for \$540,000 in annual grant making (assuming a 5% annual payout rate).

**Table 11 – Key Wealth Indicators for Seneca County**

<b>Seneca County, New York</b>					
<b>Macro Trends</b>			<b>Key Characteristics</b>		
<i>The following provides the annualized rates of change comparing the County's performance with the median U.S. benchmark for 1970-2006.</i>			<i>The following key characteristics qualitatively provide insight on the economy and society of this county compared to the U.S. median.</i>		
<b>Indicator</b>	<b>Seneca</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Seneca</b>	<b>U.S.</b>
Population	-0.1%	0.6%	Population	34,276	
Employment	0.5%	1.4%	Density	105	85
Income	1.0%	2.2%	Median Age	38.2 Years	37.3 Years
			College Plus	17.5%	14.5%
<b>Sectors</b>			Less HS	20.9%	21.0%
Manufacturing	19%	14%	Commuting	Bedroom	
Education	12%	9%	Proprietors	27.0%	20.0%
Health Care	14%	9%	Creative Class	1.3%	12.3%
Knowledge	4%	9%	Hispanics	3.06%	15.1%
Government	19%	15%	Group Quarters	4.87%	2.8%
<b>Current Net Worth Indicators</b>			<b>Transfer of Wealth Indicators</b>		
<b>Indicator</b>	<b>Seneca</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Seneca</b>	<b>New York</b>
Hld. Income	\$82k	\$110k	Pop. Change	-0.58%	0.16%
DIR Income	15.1%	17.5%	Wealth Change	2.74%	5.82%
Prop. Income	6.9%	9.0%	<u>TOW Transfer</u>		
Per Capita In.	\$28,178	\$27,413	2010-2020	10.8%	9.7%
Ave. Earnings	\$33,196	\$30,604	2020-2030	15.3%	13.8%
Property	\$149k	\$300k*	2030-2040	19.9%	19.0%
Ag. Property	\$502k	\$791k	2040-2050	23.9%	24.6%
\$150k Hlds.	1.4%	4.6%	2050-2060	30.1%	32.8%
Rich/Poor Index	6.7%	8.7%			
Housing Afford.	222	186	2010 CNW	\$1.70B	
Vacation Home	9.5%	3.4%	10-Year TOW	\$0.31B	
Change VHs	-4.5%	16.1%	50-Year TOW	\$2.84B	

Seneca County is among the most rural communities in this region with just over 34,000 residents. Agriculture and second vacation and recreational homes are important. Nearly 10% of all housing in Seneca County is classified by the Census as “vacation” homes. This indicator is important and suggests the overall giveback potential is significantly greater than we are estimating. A strategy focused on reaching out to part-time residents could significantly expand the donor pool. To the extent there is continued growth in retirement and second home development, particularly by higher net worth households, could dramatically increase giveback over time. In 2010 we estimate resident household CNW at \$1.7 billion. Our 10-year TOW estimates are \$306 million and our 50-year TOW estimate is \$2.84 billion. If just 5% of the 10-year TOW estimate could be realized into community endowments, \$15.3 million could be received with the capacity to generate \$766,000 in grant making annually. Again this potential could be 15 to 30% higher if retirement relocation and second home development continued over the scenario period.

**Table 12 – Key Wealth Indicators for Wayne County**

<b>Wayne County, New York</b>					
<b>Macro Trends</b>			<b>Key Characteristics</b>		
<i>The following provides the annualized rates of change comparing the County's performance with the median U.S. benchmark for 1970-2006.</i>			<i>The following key characteristics qualitatively provide insight on the economy and society of this county compared to the U.S. median.</i>		
<b>Indicator</b>	<b>Wayne</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Wayne</b>	<b>U.S.</b>
Population	0.4%	0.6%	Population	91,529	
Employment	0.9%	1.4%	Density	151	85
Income	1.6%	2.2%	Median Age	36.9 Years	37.3 Years
			College Plus	17.0%	14.5%
<b>Sectors</b>			Less HS	17.7%	21.0%
Manufacturing	26%	14%	Commuting	Bedroom	
Education	10%	9%	Proprietors	19.2%	20.0%
Health Care	11%	9%	Creative Class	1.9%	12.3%
Knowledge	6%	9%	Hispanics	3.14%	15.1%
Government	22%	15%	Group Quarters	1.84%	2.8%
<b>Current Net Worth Indicators</b>			<b>Transfer of Wealth Indicators</b>		
<b>Indicator</b>	<b>Wayne</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Wayne</b>	<b>New York</b>
Hld. Income	\$87k	\$110k	Pop. Change	-0.31%	0.16%
DIR Income	13.9%	17.5%	Wealth Change	4.32%	5.82%
Prop. Income	4.2%	9.0%	<u>TOW Transfer</u>		
Per Capita In.	\$30,730	\$27,413	2010-2020	9.9%	9.7%
Ave. Earnings	\$36,557	\$30,604	2020-2030	14.5%	13.8%
Property	\$133k	\$300k*	2030-2040	19.5%	19.0%
Ag. Property	\$410k	\$791k	2040-2050	24.5%	24.6%
\$150k Hlds.	1.8%	4.6%	2050-2060	31.7%	32.8%
Rich/Poor Index	4.0%	8.7%			
Housing Afford.	213	186	2010 CNW	\$4.02B	
Vacation Home	4.9%	3.4%	10-Year TOW	\$0.69B	
Change VHs	-2.0%	16.1%	50-Year TOW	\$6.96B	

Wayne County has moderated weaker historical population and employment growth and significantly lower personal income growth when compared to the United States. There is deep dependency on manufacturing and government as leading employment sectors. Both sectors are under stress these days and challenged to realize significant forward growth. Like most other counties in this Region educational attainment is significantly better with relatively small dependencies on creative class workers, Hispanics, immigrants and group quarter concentrations. Wayne County is defined as a bedroom community with relatively high dependence upon residents commuting outside of the county for work. Compared to New York Wayne County has less relative wealth when benchmarked to its population. However, there is significant transfer of wealth opportunity for a county of its size and situation. 2010 CNW is estimated at \$4.02 billion. The 10-year TOW is estimated at \$689 million and the 50-year TOW is projected at \$6.96 billion. If just 5% of Wayne County's 10-year TOW opportunity could translate into community giveback \$34.4 million in community endowments could be developed with the potential to generate \$1.7 million in annual grant making (assuming a 5% annual payout rate).

**Table 13 – Key Wealth Indicators for Wyoming County**

<b>Wyoming County, New York</b>					
<b>Macro Trends</b>			<b>Key Characteristics</b>		
<i>The following provides the annualized rates of change comparing the County's performance with the median U.S. benchmark for 1970-2006.</i>			<i>The following key characteristics qualitatively provide insight on the economy and society of this county compared to the U.S. median.</i>		
<b>Indicator</b>	<b>Wyoming</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Wyoming</b>	<b>U.S.</b>
Population	0.3%	0.6%	Population	41,841	
Employment	1.0%	1.4%	Density	71	85
Income	1.3%	2.2%	Median Age	36.7 Years	37.3 Years
			College Plus	11.5%	14.5%
<b>Sectors</b>			Less HS	24.4%	21.0%
Manufacturing	16%	14%	Commuting	Bedroom	
Education	8%	9%	Proprietors	17.3%	20.0%
Health Care	11%	9%	Creative Class	1.9%	12.3%
Knowledge	4%	9%	Hispanics	3.26%	15.1%
Government	24%	15%	Group Quarters	10.18%	2.8%
<b>Current Net Worth Indicators</b>			<b>Transfer of Wealth Indicators</b>		
<b>Indicator</b>	<b>Wyoming</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Wyoming</b>	<b>New York</b>
Hld. Income	\$79k	\$110k	Pop. Change	-0.59%	0.16%
DIR Income	15.3%	17.5%	Wealth Change	%4.00	5.82%
Prop. Income	7.1%	9.0%	<u>TOW Transfer</u>		
Per Capita In.	\$26,004	\$27,413	2010-2020	9.7%	9.7%
Ave. Earnings	\$37,561	\$30,604	2020-2030	14.3%	13.8%
Property	\$139k	\$300k*	2030-2040	19.5%	19.0%
Ag. Property	\$509k	\$791k	2040-2050	24.5%	24.6%
\$150k Hlds.	1.3%	4.6%	2050-2060	32.0%	32.8%
Rich/Poor Index	7.2%	8.7%			
Housing Afford.	216	186	2010 CNW	\$1.26B	
Vacation Home	8.4%	3.4%	10-Year TOW	\$0.20B	
Change VHs	-5.6%	16.1%	50-Year TOW	\$2.03B	

Wyoming County is among the more rural counties with significant agricultural activity and over twice the national level of vacation, retirement and second homes. Overall economic performance over the past two and one-half decades is moderately weaker when compared to the United States. There is heavy dependence on the stress industries of manufacturing and government. Health care is also an important sector for this community. Educational attainment rates are lower when compared to the U.S. and this is reflected in the income levels for household in Wyoming County. Poverty rates are also somewhat elevated. To the extent that vacation, second and retirement homes are owned by non-residents, our estimates of CNW and TOW under-estimate the potential giveback. Development of these “part-time” residents as donors could significantly increase the pool of donors and particularly higher net worth donors. CNW in 2010 is \$1.26 billion. Estimated 10-year TOW is \$196 million and the 50-year TOW opportunity is projected at \$2.03 billion. Assuming a 5% capture of the 10-year TOW could be realized \$9.8 million in endowments could be developed over time with the capacity to generate \$491,000 in grant making annually (assuming a 5% payout rate).

**Table 14 – Key Wealth Indicators for Yates County**

<b>Yates County, New York</b>					
<b>Macro Trends</b>			<b>Key Characteristics</b>		
<i>The following provides the annualized rates of change comparing the County's performance with the median U.S. benchmark for 1970-2006.</i>			<i>The following key characteristics qualitatively provide insight on the economy and society of this county compared to the U.S. median.</i>		
<b>Indicator</b>	<b>Yates</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Yates</b>	<b>U.S.</b>
Population	0.6%	0.6%	Population	24,535	
Employment	0.8%	1.4%	Density	73	85
Income	1.6%	2.2%	Median Age	37.9 Years	37.3 Years
			College Plus	18.2%	14.5%
<b>Sectors</b>			Less HS	20.0%	21.0%
Manufacturing	15%	14%	Commuting		
Education	13%	9%	Proprietors	22.3%	20.0%
Health Care	15%	9%	Creative Class	1.5%	12.3%
Knowledge	4%	9%	Hispanics	1.48%	15.1%
Government	15%	15%	Group Quarters	4.85%	2.8%
<b>Current Net Worth Indicators</b>			<b>Transfer of Wealth Indicators</b>		
<b>Indicator</b>	<b>Yates</b>	<b>U.S.</b>	<b>Indicator</b>	<b>Yates</b>	<b>New York</b>
Hld. Income	\$75k	\$110k	Pop. Change	0.19%	0.16%
DIR Income	19.5%	17.5%	Wealth Change	%5.73	5.82%
Prop. Income	4.9%	9.0%	<u>TOW Transfer</u>		
Per Capita In.	\$26,097	\$27,413	2010-2020	9.5%	9.7%
Ave. Earnings	\$28,941	\$30,604	2020-2030	14.0%	13.8%
Property	\$261k	\$300k*	2030-2040	19.1%	19.0%
Ag. Property	\$415k	\$791k	2040-2050	24.6%	24.6%
\$150k Hlds.	2.1%	4.6%	2050-2060	32.8%	32.8%
Rich/Poor Index	8.6%	8.7%			
Housing Afford.	190	186	2010 CNW	\$1.51B	
Vacation Home	26.6%	3.4%	10-Year TOW	\$0.30B	
Change VHS	3.0%	16.1%	50-Year TOW	\$3.20B	

After Rochester and Monroe County, Yates County has one of the highest wealth formation rates in the Region. Population growth has been strong, but employment and personal income growth is lagging when compared to the United States. The economy is relatively diversified with dependence upon manufacturing health care, education and government. While overall current income levels are below average, the value of real estate approaches the New York per capita values. Over 25% of the housing stock in Yates County is defined by the Census as vacation homes. This suggests a very large non-resident, but connected population. Higher than average income derived from investments (e.g., dividends, interest & rent income) would suggest that there is a concentration of higher net worth households in this community. CNW in 2010 is estimated to be \$1.51 billion. 10-year TOW is estimated at \$304 million and the 50-year TOW is projected to be \$3.20 billion. Assuming a 5% capture and payout rate on the 10-year TOW opportunity potential endowment building could be \$15 million near term with the ability to sustain up to three quarters of a million dollars in annual grant making.

## **Additional Resources**

There are better data available about national wealth holding, allowing researchers to provide more detailed analysis of trends than can be obtained with state and county level research. This national level analysis creates an important historical context for this Transfer of Wealth work that is useful in identifying the best way to use this study as a foundation for policy and practice. To provide some of this grounding in the study of wealth holding in the U.S., we produce [\*American Wealth – Household Wealth Holding in America\*](#). This report combines various information sources to create a useful chart book that can quickly help you and your communities better understand the community development philanthropy opportunity.

In addition to this national level picture of wealth holding, we have prepared an electronic library containing additional research and analysis to help develop a deeper understanding of the TOW scenario analysis results and to develop communication messages for sharing this work with others in the state.

### **Strategies for Lower Wealth Regions**

Chronic poverty and lack of economic opportunity can create a culture where local philanthropy outside of the church and school seems unrealistic. However, every county in New York, even the poorest, has wealth. In counties with limited high net worth households, philanthropy should be built around critical community needs and opportunities through the creation of "interest funds." Even small amounts of predictable funding can make a huge community development impact over time.

### Reports Included in Electronic Library

([http://www.energizingentrepreneurs.org/site/index.php?option=com\\_content&view=article&id=31&Itemid=37](http://www.energizingentrepreneurs.org/site/index.php?option=com_content&view=article&id=31&Itemid=37))

Related to this project, we have prepared this resource page containing additional research and analysis. We encourage readers of this study and users of this research to employ the following resources included in this library:

1- This file includes current net worth and transfer of wealth (TOW) estimates (10, 20, 50 years) for Rochester Area Community Foundation area and its counties in both total and per household values.

([link](#))

2- American Wealth - Household Wealth Holding in America study ([link](#))

3- Realizing Maine's Worth - Our Community Legacy study ([link](#))

4- Cornell University, Cornell Program on Applied demographics ([link](#))

5- Property Values ([link](#))

6- SocioEconomic Profiles of Rochester Area and its counties:

-- Rochester Area Community Foundation area ([link](#))

-- Genesee ([link](#))

-- Livingston ([link](#))

-- Monroe ([link](#))

-- Ontario ([link](#))

-- Orleans ([link](#))

-- Seneca ([link](#))

-- Wayne ([link](#))

-- Wyoming ([link](#))

-- Yates ([link](#))

Technical Advisory Committee Meeting 2 10/28/2010

Agenda ([link](#))

Preliminary Rochester Area Community Foundation Transfer of Wealth Technical Report ([link](#))

Wealth Indicators ([link](#))

For discussion ([link](#))

Comparison of Places ([link](#))

#### **Additional Resources**

- [2010 New York State Poverty Report](#) presented by the [New York State Community Action Association](#) (NYSCAA)
- [The Growth Index](#) published by [the Public Policy Institute of New York State, Inc.](#)
- [Marcellus Shale](#) explained by [New York State Department of Environmental Conservation](#)
- [Existing or proposed wind farm projects in New York State](#) by [New York State Department of Environmental Conservation](#)

Technical Advisory Committee Meeting 1 9/9/2010

Agenda ([link](#))

Attachment A - Wealth in America ([link](#))

Attachment B - Job Description ([link](#))

Attachment C - Methodology ([link](#))

Attachment D - Indicators ([link](#))

The primary goal of this TOW research is to help individuals, communities, donors and organizations gain a better understanding of the remarkable transfer of wealth opportunity. Goal setting is important in our culture and a way of doing business. Individuals, communities and even nations can be mobilized in powerful ways when there are clear goals and opportunities for being part of the effort. The TOW estimates provide not only a good idea of the size of this opportunity, but the ability to set donor development goals that can translate to endowment building and strategic grant making. The 5% TOW capture target used in this analysis is based on early TOW experience in Nebraska and the real experiences of communities that are working toward achieving this goal. It provides a reasonable target for people who care about their rural communities and regions.

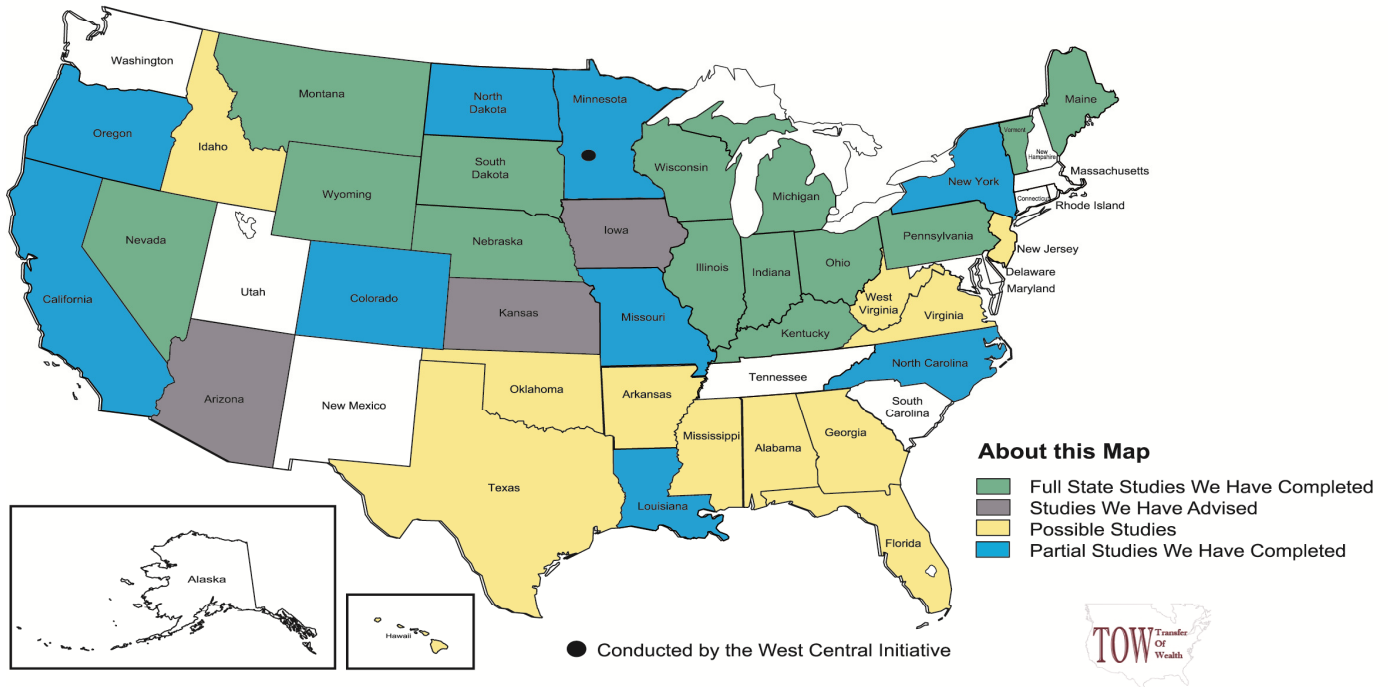
### **Understanding the Timing of a Region's TOW Opportunity**

Closely related to the demographic structure of a community (e.g., age cohort groups and relative change within these groups over time), each community will have a unique distribution of transfer of wealth over time. To better describe the timing of county and state TOW opportunities, we have produced TOW transfer charts for each county in the Region, as well as for the Region as a whole. These charts provide important insight into a likely scenario of when inter-generational transfer of wealth will occur year by year and decade by decade over the 2010 through 2060 study timeframe. Communities that are aging and undergoing population loss (e.g., rural counties) typically see their TOW transfer concentrated in the earlier decades of the study period. Conversely, communities that are home to younger families with children (e.g., new suburban neighborhoods) will see new wealth building over time and the TOW opportunity will be more concentrated in the out decades. These charts are available through the electronic library we have provided with this Technical Report.

This technical report shares the basic data and background information that you can use to communicate the TOW potential in the communities and regions that you serve. We believe it is important to learn from others who have used TOW as a tool to stimulate strategic discussions. We recommend the following report from Maine as an excellent example of how our partners have communicated about the TOW opportunity to community, regional and state leaders – [\*Realizing Maine's Worth – Our Community Legacy\*](#). Several key features of this report include:

- Elements of a branding campaign including "It's Just 5%" and "Count Your Community Among Your Heirs"
- Demonstration of the potential behind TOW capture by showing how actual community projects across the state could be funded through endowments built by capturing just 5% of the TOW opportunity
- Outline of a strategy for what communities can do to translate their affinity for a place (or an interest such as working waterfronts) into an endowment fund

Our experience with TOW is extensive (see map below). Each new study and the work on the ground that grows out of it contribute to the further development of the model and our ability to share promising practices with other rural communities across North America. To learn more about the RUPRI Center's TOW research and what communities are doing with that learning, contact Don Macke at 402.323.7339 or [don@e2mail.org](mailto:don@e2mail.org).



**Table 15 - Current Net Worth and 10-Year Estimated Transfer of Wealth Opportunity Scenario for Rochester Region — Total and Per Household (PHH) Values**

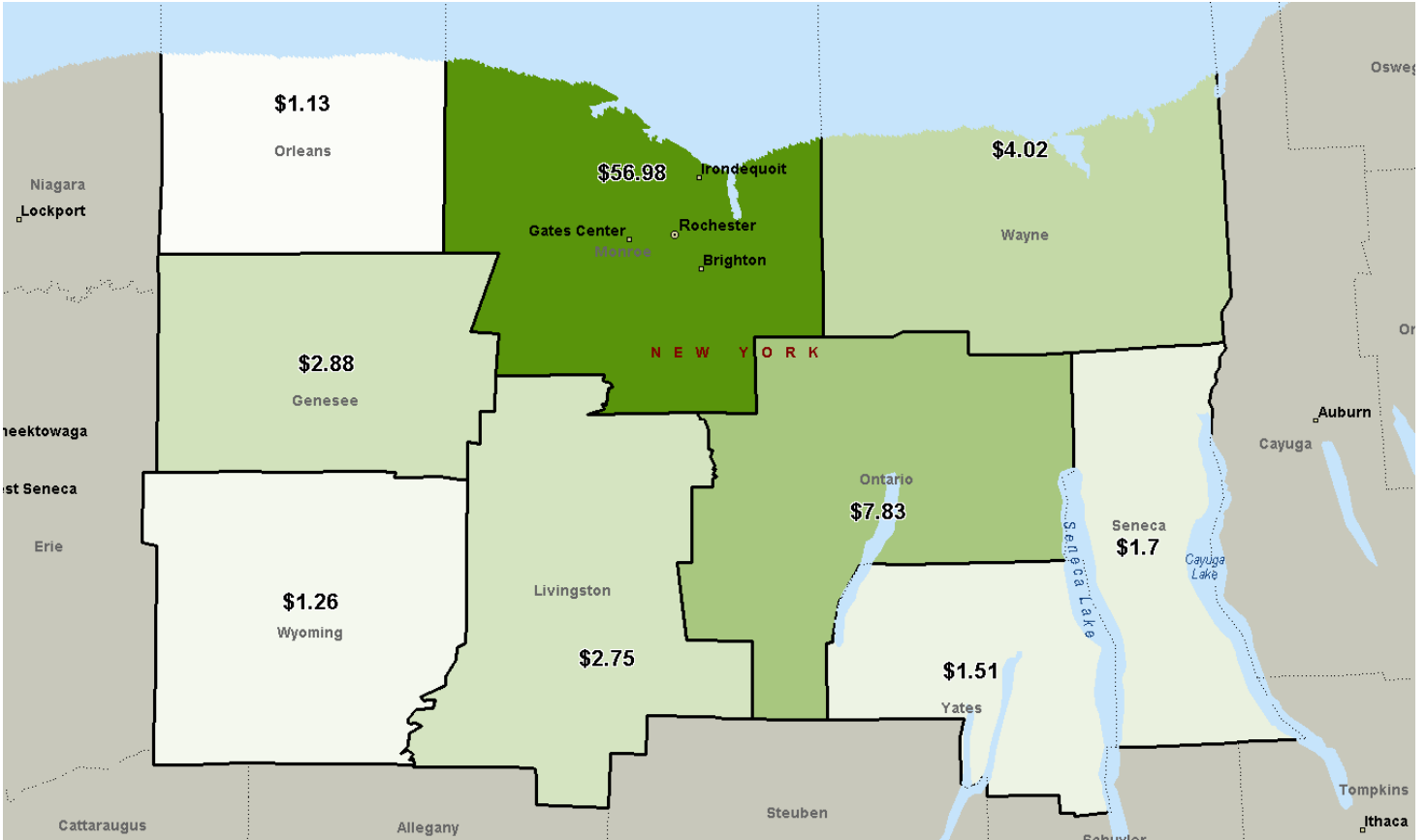
County	2010 Net Worth		TOW		10 Year 5% Capture		5% Payout	PHH
	(\$ billions)	PHH	(\$ billions)	PHH	(\$ millions)	PHH	(\$ millions)	PHH
Genesee	\$2.88	\$132,000	\$0.53	\$24,000	\$26.38	\$1,200	\$1.32	\$60
Livingston	\$2.75	\$123,000	\$0.45	\$20,000	\$22.26	\$1,000	\$1.11	\$50
Monroe	\$56.98	\$199,000	\$9.90	\$35,000	\$495.15	\$1,700	\$24.76	\$90
Ontario	\$7.83	\$194,000	\$1.32	\$33,000	\$65.97	\$1,600	\$3.30	\$80
Orleans	\$1.13	\$75,000	\$0.21	\$14,000	\$10.75	\$700	\$0.54	\$40
Seneca	\$1.70	\$132,000	\$0.31	\$24,000	\$15.32	\$1,200	\$0.77	\$60
Wayne	\$4.02	\$118,000	\$0.69	\$20,000	\$34.43	\$1,000	\$1.72	\$50
Wyoming	\$1.26	\$85,000	\$0.20	\$13,000	\$9.82	\$700	\$0.49	\$30
Yates	\$1.51	\$163,000	\$0.30	\$33,000	\$15.20	\$1,600	\$0.76	\$80
<b>Rochester Region</b>	<b>\$80.07</b>	<b>\$175,000</b>	<b>\$13.91</b>	<b>\$30,000</b>	<b>\$695.28</b>	<b>\$1,500</b>	<b>\$34.76</b>	<b>\$80</b>

**Table 16 - Current Net Worth and 20-Year Estimated Transfer of Wealth Opportunity Scenario for Rochester Region — Total and Per Household (PHH) Values**

County	2010		TOW		20 Year		5% Payout	
	Net Worth (\$ billions)	PHH	(\$ billions)	PHH	5% Capture (\$ millions)	PHH	(\$ millions)	PHH
Genesee	\$2.88	\$132,000	\$1.26	\$58,000	\$63.03	\$2,900	\$3.15	\$140
Livingston	\$2.75	\$123,000	\$1.10	\$49,000	\$54.86	\$2,500	\$2.74	\$120
Monroe	\$56.98	\$199,000	\$23.63	\$83,000	\$1,181.29	\$4,100	\$59.06	\$210
Ontario	\$7.83	\$194,000	\$3.28	\$81,000	\$164.06	\$4,100	\$8.20	\$200
Orleans	\$1.13	\$75,000	\$0.52	\$35,000	\$26.06	\$1,700	\$1.30	\$90
Seneca	\$1.70	\$132,000	\$0.74	\$58,000	\$37.07	\$2,900	\$1.85	\$140
Wayne	\$4.02	\$118,000	\$1.69	\$50,000	\$84.74	\$2,500	\$4.24	\$120
Wyoming	\$1.26	\$85,000	\$0.49	\$33,000	\$24.30	\$1,600	\$1.21	\$80
Yates	\$1.51	\$163,000	\$0.75	\$81,000	\$37.55	\$4,100	\$1.88	\$200
<b>Rochester Region</b>	<b>\$80.07</b>	<b>\$175,000</b>	<b>\$33.46</b>	<b>\$73,000</b>	<b>\$1,672.96</b>	<b>\$3,700</b>	<b>\$83.65</b>	<b>\$180</b>

# Figure 1 - 2010 Estimated Total Current Net Worth (CNW) for Rochester Region

Region's Estimated CNW is \$80.07 Billion



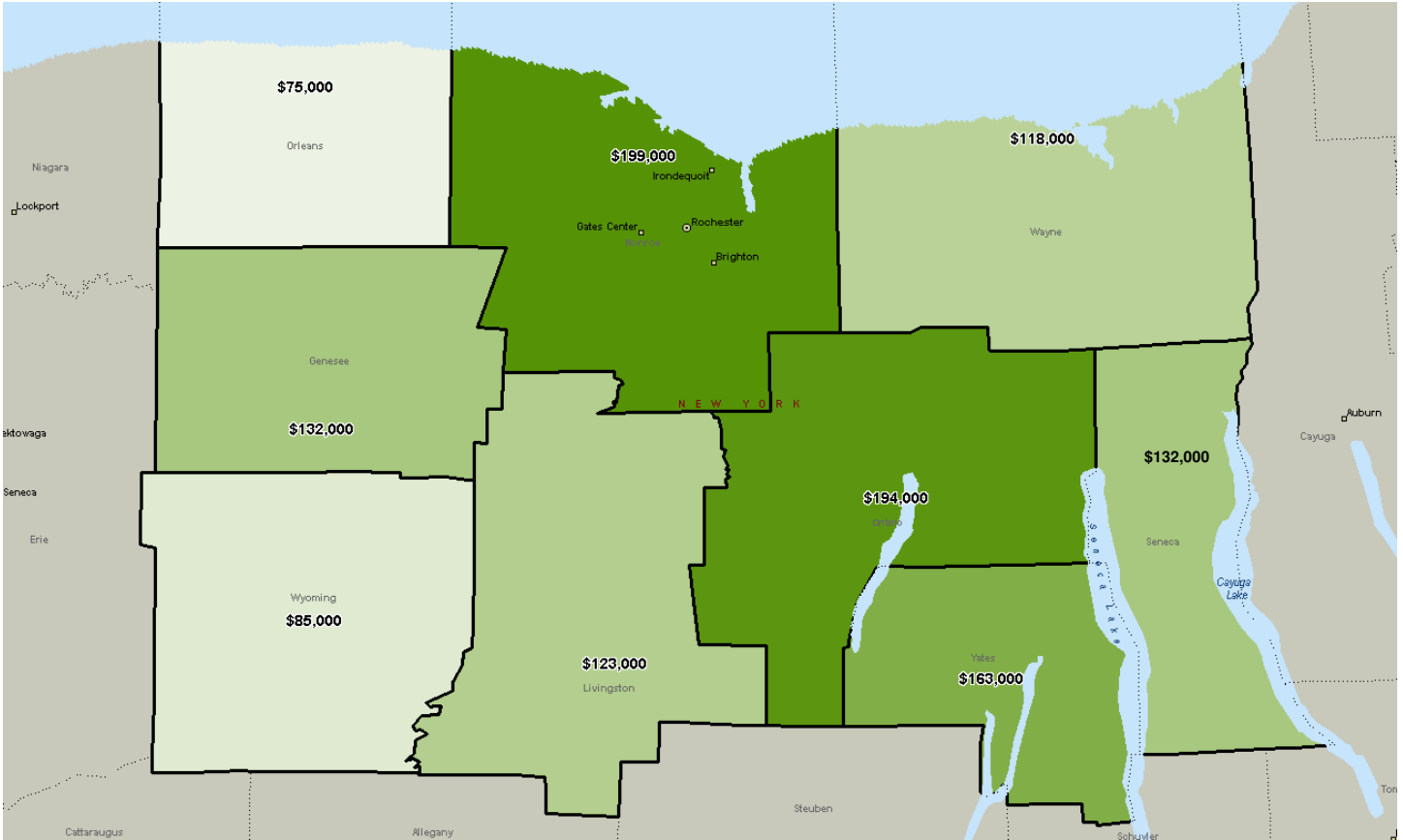
## 2010 Estimated Current Net Worth

Values Lowest to Highest in Continuous Range



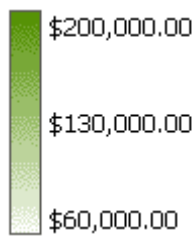
## Figure 2 - 2010 Estimated CNW per Household for Rochester Region

**Region's 2010 Estimated CNW per Household is \$175,000**



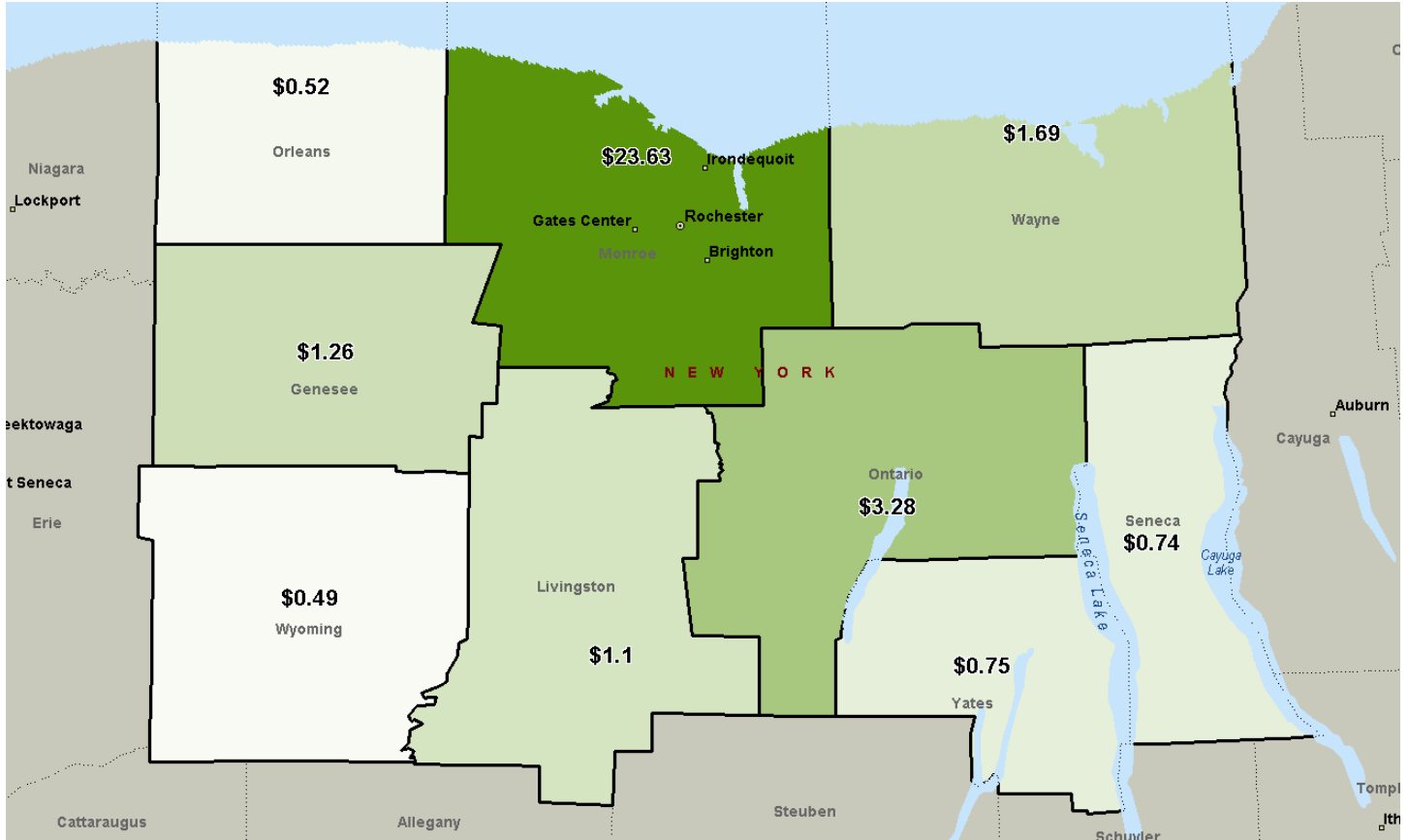
### 2010 Estimated CNW per Household

*Values Lowest to Highest in Continuous Range*



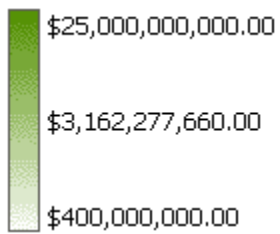
## Figure 3 - 20 Year Total Transfer of Wealth (TOW) Opportunity for Rochester Region

**Region's 20 Year TOW Opportunity is \$33.46 Billion**



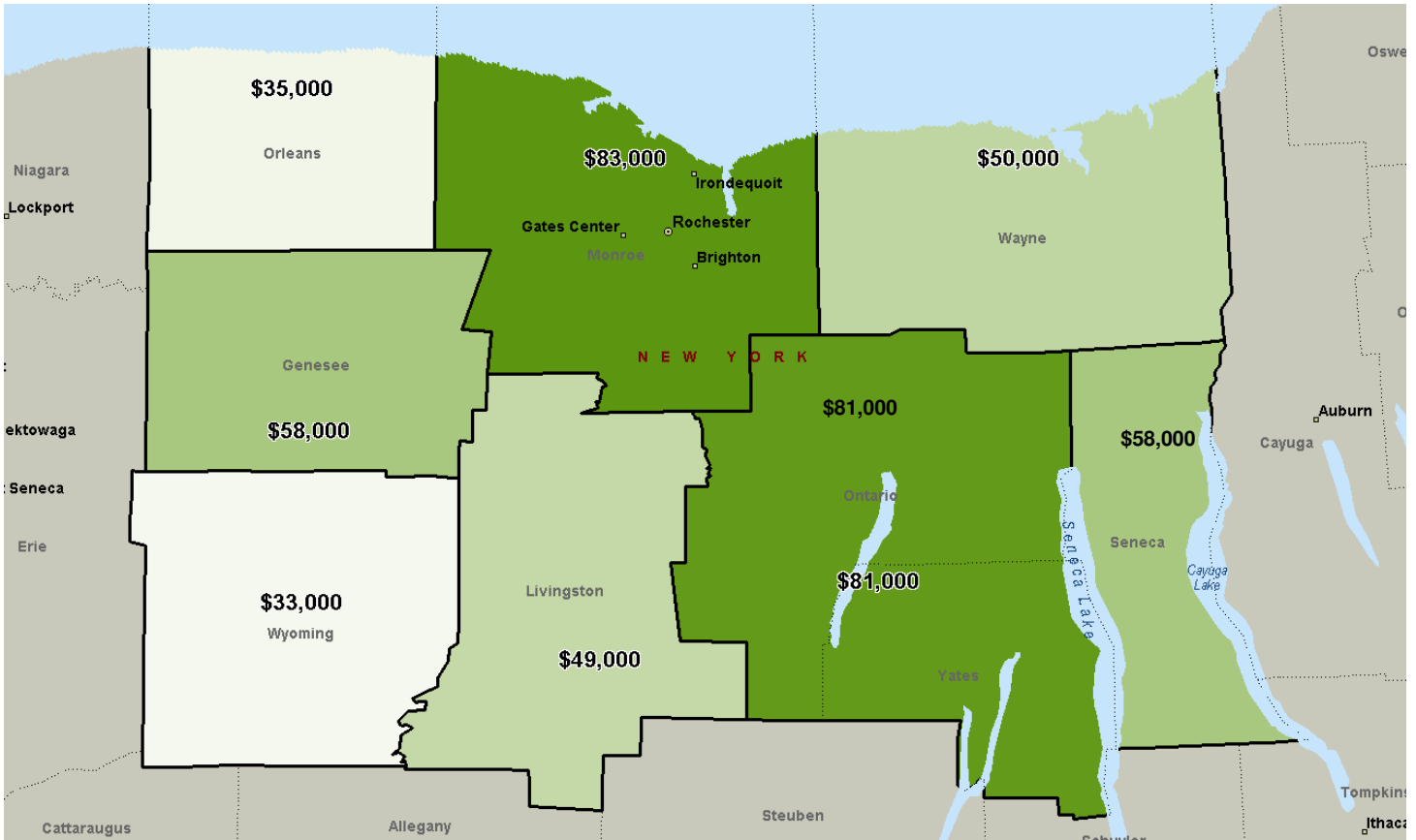
### 20 Year TOW Opportunity

*Values Lowest to Highest in Continuous Range*



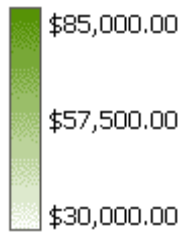
## Figure 4 - 20 Year TOW Opportunity per Household for Rochester Region

Region's 20 Year TOW Opportunity per Household is \$73,000



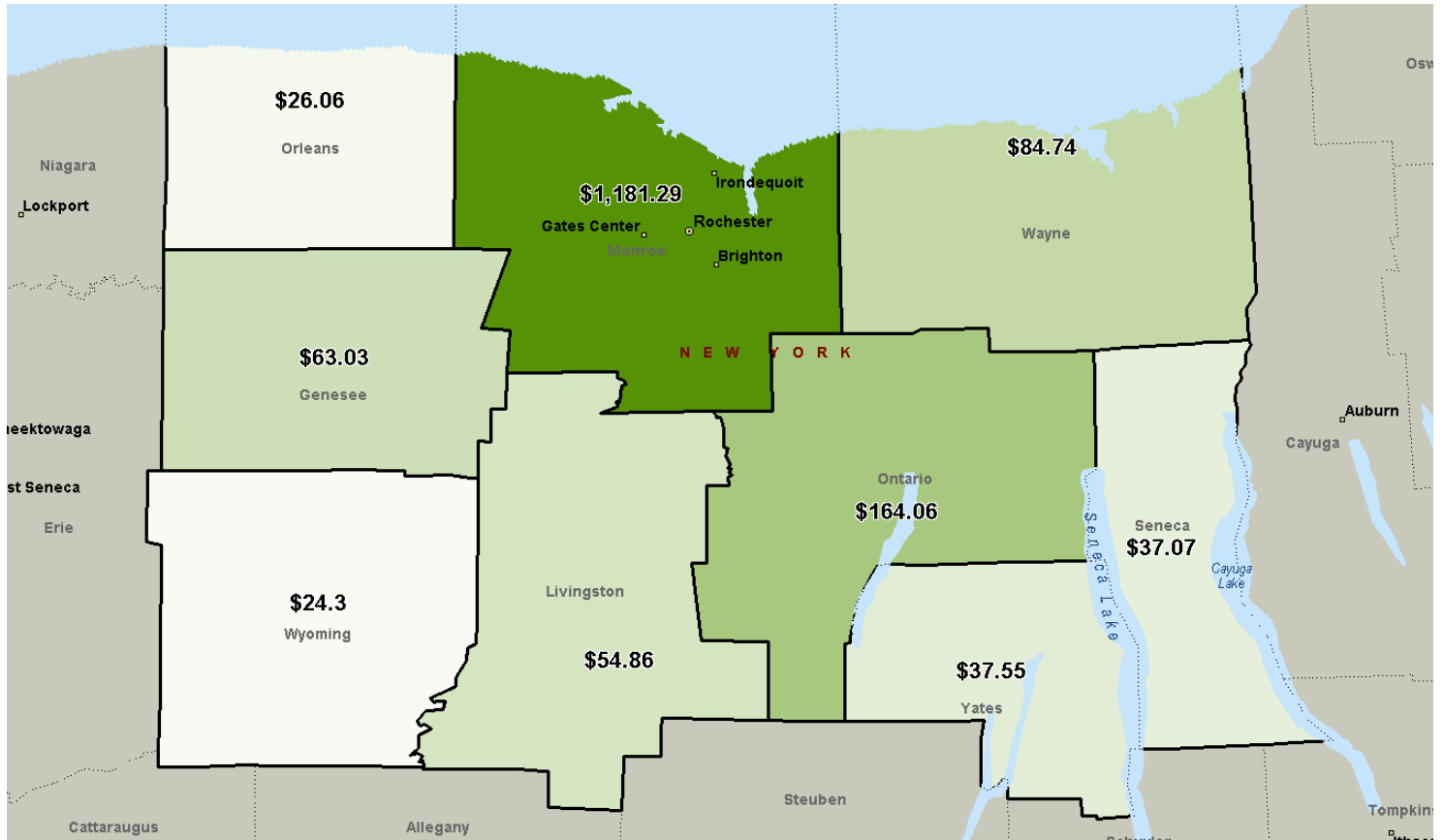
### 20 Year TOW Opportunity per Household

Values Lowest to Highest in Continuous Range



## Figure 5 - 5% Capture Total of the 20 Year TOW Opportunity for Rochester Region

Region's 5% Capture of the 20 Year TOW Opportunity is \$1,673 Million



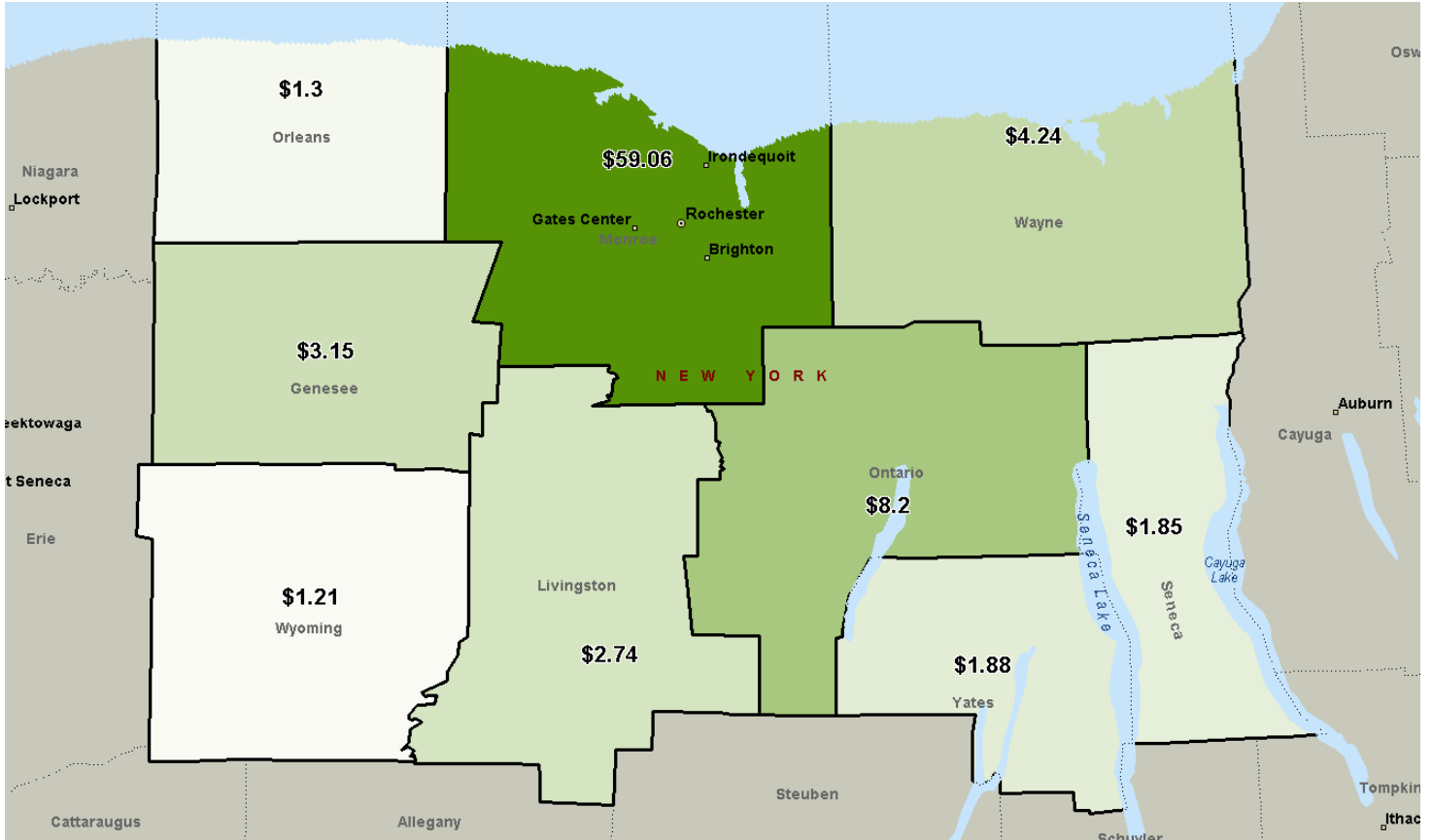
### 5% Capture of the 20 Year TOW Opportunity

Values Lowest to Highest in Continuous Range



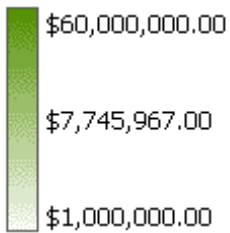
## Figure 6 - 5% Payout Total Assets Captured in the 20 Year TOW Opportunity for Rochester Region

Region's 5% Payout from Assets Captured in the 20 Year TOW Opportunity is \$83.65 Million



### 5% Payout from Assets Captured in the 20 Year TOW Opportunity

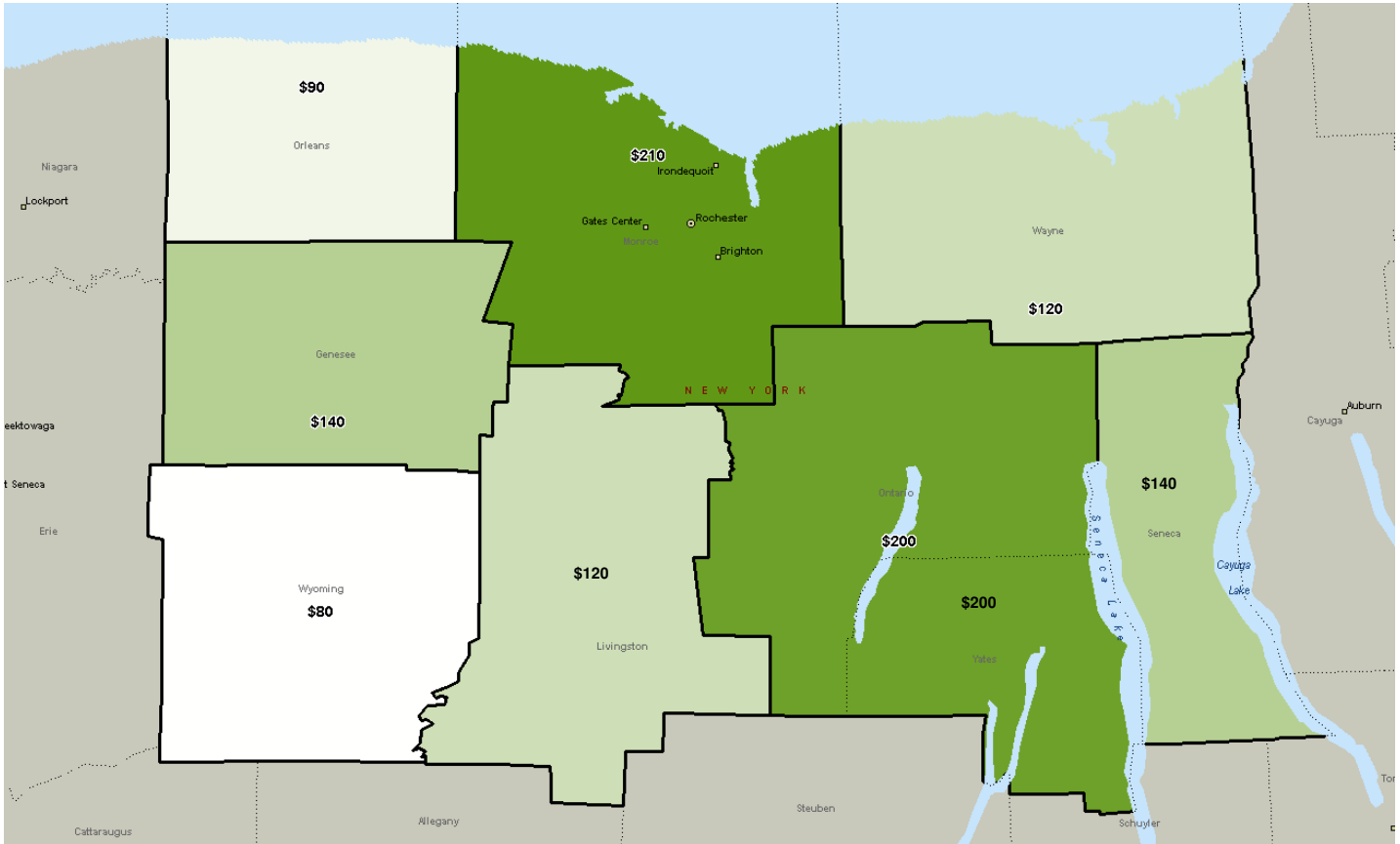
Values Lowest to Highest in Continuous Range



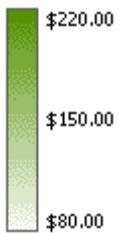


# Figure 8 - 5% Payout per Household from Assets Captured in the 20 Year TOW Opportunity for Rochester Region

**Region's 5% Payout per Household from Assets Captured in the 20 Year TOW Opportunity is \$180**



**5% Payout per Household from Assets Captured in the 20 Year TOW Opportunity**  
*Values Lowest to Highest in Continuous Range*



## APPENDIX

**Table 17 - Current Net Worth (CNW) and 50-Year Estimated Transfer of Wealth Opportunity Scenario for Rochester Region — Total and Per Household (PHH) Values**

County	2010 Net Worth		TOW		50 Year 5% Capture		5% Payout	
	(\$ billions)	PHH	(\$ billions)	PHH	(\$ millions)	PHH	(\$ millions)	PHH
Genesee	\$2.88	\$132,000	\$5.03	\$230,000	\$251.27	\$12,000	\$12.56	\$600
Livingston	\$2.75	\$123,000	\$4.45	\$200,000	\$222.51	\$10,000	\$11.13	\$500
Monroe	\$56.98	\$199,000	\$93.75	\$328,000	\$4,687.45	\$16,000	\$234.37	\$800
Ontario	\$7.83	\$194,000	\$14.41	\$357,000	\$720.50	\$18,000	\$36.02	\$900
Orleans	\$1.13	\$75,000	\$2.13	\$142,000	\$106.55	\$7,000	\$5.33	\$400
Seneca	\$1.70	\$132,000	\$2.84	\$221,000	\$142.04	\$11,000	\$7.10	\$600
Wayne	\$4.02	\$118,000	\$6.96	\$204,000	\$348.11	\$10,000	\$17.41	\$500
Wyoming	\$1.26	\$85,000	\$2.03	\$136,000	\$101.26	\$7,000	\$5.06	\$300
Yates	\$1.51	\$163,000	\$3.20	\$345,000	\$159.76	\$17,000	\$7.99	\$900
<b>Rochester Region</b>	<b>\$80.07</b>	<b>\$175,000</b>	<b>\$134.79</b>	<b>\$295,000</b>	<b>\$6,739.46</b>	<b>\$15,000</b>	<b>\$336.97</b>	<b>\$700</b>

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Helping Rural America Realize  
Its Entrepreneurial Potential

*The RUPRI Center for Rural Entrepreneurship is the focal point for energizing entrepreneurial communities where entrepreneurs can flourish. Created in 2001 with founding support from the Kauffman Foundation and the Rural Policy Research Institute (RUPRI), the RUPRI Center is located jointly in Nebraska and North Carolina. The RUPRI Center's work to date has been to develop the knowledge base of effective entrepreneurship practices and to share that knowledge through training and strategic engagement across rural America. Working with economic development practitioners and researchers, the RUPRI Center conducts practice-driven research and evaluation that serves as the basis for developing insights into model practices and other learning. The RUPRI Center is committed to connecting economic development practitioners and policy makers to the resources needed to energize entrepreneurs and implement entrepreneurship as a core economic development strategy. To learn more about the RUPRI Center, visit [www.energizingentrepreneurs.org](http://www.energizingentrepreneurs.org).*



*The Rural Policy Research Institute (RUPRI) functions as a national scientific research center, identifying and mobilizing teams of researchers and practitioners across the nation and internationally to investigate complex and emerging issues in rural and regional development. Since its founding in 1990, RUPRI's mission has been to provide independent analysis and information on the challenges, needs, and opportunities facing rural places and people. Its activities include research, policy analysis, outreach, and the development of decision support tools. These are conducted through a small core team in Missouri and Washington DC, and through three centers, **including the Center for Rural Entrepreneurship**, and a number of joint initiatives and panels located across the United States. RUPRI was created as a joint program of Iowa State University, the University of Missouri, and the University of Nebraska, and is now housed at the Harry S. Truman School of Public Affairs at the University of Missouri. To learn more about RUPRI, visit [www.rupri.org](http://www.rupri.org).*



*The Inter-Generational Transfer of Wealth (TOW) analysis is a service of the RUPRI Center for Rural Entrepreneurship. Original founding support to develop our TOW analysis was provided by the Nebraska Community Foundation (NCF). For more information about NCF, visit [www.nebcommfound.org](http://www.nebcommfound.org). Subsequent and ongoing support for the RUPRI Center for Rural Entrepreneurship and our TOW Analysis is being provided by RUPRI and regional funding partners. The authors of this study include Don Macke (Project Leader), Ahmet Binerer (Research Analyst), and Dr. Deborah Markley (Editor).*

